

E-filed: 2/3/2008

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

13 HYNIX SEMICONDUCTOR INC., HYNIX
14 SEMICONDUCTOR AMERICA INC.,
15 HYNIX SEMICONDUCTOR U.K. LTD., and
16 HYNIX SEMICONDUCTOR
17 DEUTSCHLAND GmbH,
18 Plaintiffs,

v.
18 RAMBUS INC.,
19 Defendant.

No. CV-00-20905 RMW

RULINGS ON MANUFACTURERS'
MOTIONS *IN LIMINE* [CONDUCT PHASE]

[Re Docket Nos. 2870, 2871, 2872, 2873,
2886, 2887, 2888, 2889, 2890, 2891, 2892,
2894, 2896, 2983]

United States District Court

For the Northern District of California

1	RAMBUS INC.,	No. C-05-00334 RMW
2	Plaintiff,	
3	v.	
4		[Re Docket Nos. 846, 847, 849, 851, 862, 864,
5	HYNIX SEMICONDUCTOR INC., HYNIX	865, 866, 869, 894, 895, 896, 897, 898, 899,
6	SEMICONDUCTOR AMERICA INC.,	900, 903, 904, 918, 1014]
7	HYNIX SEMICONDUCTOR	
8	MANUFACTURING AMERICA INC.,	
9		
10	SAMSUNG ELECTRONICS CO., LTD.,	
11	SAMSUNG ELECTRONICS AMERICA,	
12	INC., SAMSUNG SEMICONDUCTOR, INC.,	
13	SAMSUNG AUSTIN SEMICONDUCTOR,	
14	L.P.,	
15		
16	NANYA TECHNOLOGY CORPORATION,	
17	NANYA TECHNOLOGY CORPORATION	
18	U.S.A.,	
19		
20	Defendants.	
21	RAMBUS INC.,	No. C-06-00244 RMW
22	Plaintiff,	
23	v.	
24		[Re Docket Nos. 476, 481, 482, 483, 485, 493,
25	MICRON TECHNOLOGY, INC., and	501, 504, 510, 513, 520, 522, 524, 555]
26	MICRON SEMICONDUCTOR PRODUCTS,	
27	INC.	
28		
29	Defendants.	

21 The court hereby issues its rulings on the *in limine* motions submitted by Hynix, Micron and
 22 Nanya ("the Manufacturers").

23 **1. Motion *in Limine* No.1 to exclude evidence of DRAM price-fixing**

24 Rambus may not introduce into evidence the Samsung or Hynix guilty pleas for the purpose
 25 of impeaching character for truthfulness. If Rambus wishes to raise the issue of a price-fixing
 26 conspiracy to (1) inquire about specific instances of conduct on cross-examination to impeach
 27 character for truthfulness, or (2) rebut evidence regarding various lines of argument about pro-

1 competitive behavior in the DRAM industry, Rambus must first obtain permission from the court
2 outside the presence of the jury.

3 **2. Motion in Limine No. 2 to exclude evidence of Manufacturers' document
4 retention programs or destruction of documents**

5 Granted by stipulation. The parties will not argue that any missing document was hidden or
6 destroyed for the purpose of making the party look better or to hide relevant information.

7 **3. Motion in Limine No. 3 to exclude evidence regarding Manufacturers' positions
8 on Rambus's infringement claims and certain aspects of the results of the *Hynix
9 I* patent phase**

10 Tentatively granted but final ruling is deferred so that court can consider how evidence
11 develops. Rambus must seek permission from the court outside the presence of the jury before
12 mentioning anything about the patent phase of *Hynix I*. In light of the instruction by the court with
13 respect to the validity and infringement of certain Rambus patent claims by certain of the
14 Manufacturers' products, it would appear unnecessary to discuss the Manufacturers' legal
15 contentions on validity and infringement. However, this order does not preclude evidence of the
16 ongoing production of infringing products by the Manufacturers.

17 The amount of the damages awarded in the *Hynix I* patent trial appears to have marginal
18 relevance and the prejudicial effect of the evidence appears to substantially outweigh that relevance.
19 See FRE 403. The award by the jury in *Hynix I* was not supported by the evidence and that is the
20 amount the jury would have considered without bifurcation. The jury at the current trial will have
21 before it all relevant evidence as to the value of Rambus's patents that was before the jury in *Hynix I*.
22 As to the evidence showing bias and interest of certain witnesses, other evidence is available to
23 show Hynix's bias and interest. This order does not prevent Rambus from showing a financial
24 interest by cross-examination and argument that the Manufacturers including Hynix face the
25 prospect of having to pay a significant amount for their past use of the Rambus technology.

26 **4. Motion in Limine No. 4 to exclude reference to the Federal Circuit's opinion in
27 *Rambus Inc. v. Infineon Technologies AG*, 318 F.3d 1081 (Fed. Cir. 2003), and**

the proceedings in *FTC Rambus*, other than the Commission's liability opinion.

2 Tentatively granted but final ruling is deferred so that court can consider how evidence
3 develops. Rambus must seek permission from the court outside the presence of the jury before
4 mentioning anything about the *Infineon* decision or the ALJ's opinion in *FTC Rambus* or the appeal
5 of the Commission's opinion. However, the Manufacturers' presentation may open the door to
6 questions of the Manufacturers' experts on aspects of the *Infineon* decision. For example, if
7 McAlexander testifies as to the scope of the term "bus" based upon the disclosure in Rambus's
8 specification disclosed at JEDEC, he may be subject to cross-examination on whether he considered
9 the *Infineon* decision (which held that one skilled in the art would not read the specification's
10 example as limiting the invention to a narrow, multiplexed bus). Nevertheless, Rambus must
11 request outside the presence of the jury permission to cross-examine regarding any expert's
12 consideration of the *Infineon* decision before doing so. *See also* Docket No. 3088, C-00-20905
13 (N.D. Cal. Jan. 28, 2008).

5. Motion in Limine No. 5 to exclude evidence of, or reference to, alleged boycott or price manipulation

16 Ruling is deferred so that court can consider how evidence develops. Rambus must seek
17 permission from the court outside the presence of the jury before mentioning anything about alleged
18 boycott or price manipulation. If the Manufacturers present evidence that RDRAM failed or
19 experienced lack of market success because it was too expensive or had technical flaws or
20 performance problems, Rambus should be able to explain other reasons that caused or contributed to
21 its RDRAM's market performance. However, if the Manufacturers do not get into the reasons for
22 RDRAM's lack of market success, evidence concerning an alleged boycott or price manipulation
23 seems irrelevant.

6. Motion in Limine No. 6 to exclude evidence of a conspiracy to not take a license

25 Motion is deferred except as to privileged documents. The scope of the motion is unclear.
26 To the extent the motion requests only an order barring the use of privileged documents, Rambus
27 agrees the motion should be granted and the court hereby grants it.

1 To the extent the motion wants more, i.e., to exclude all evidence of a conspiracy to not take
 2 a license, Rambus argues that evidence is relevant to causation. Specifically, Rambus argues that
 3 the Manufacturers' meetings and coordinated litigation efforts tend to disprove that Rambus's
 4 anticompetitive conduct *caused* them to defend patent litigation, but that they collectively chose to
 5 engage in litigation. Therefore, to the extent the motion to seeks to preclude more than the allegedly
 6 privileged documents, the motion is tentatively denied.

7 **7. Motion in Limine No. 7 to exclude communications from Rambus to third
 8 parties regarding Rambus's pending patents**

9 The motion is denied. The Manufacturers seek to exclude Rambus's communications with
 10 other companies. To the extent those companies were members of JEDEC (this is a required
 11 foundation for relevance), these communications are relevant because if Rambus discloses relevant
 12 patents to JEDEC member → JEDEC member does not disclose knowledge to JEDEC → tends to
 13 disprove a broad disclosure duty. Further, Nanya's claim requires showing that JEDEC, the entity,
 14 was defrauded. Evidence showing JEDEC members knew about Rambus's intellectual property
 15 tends to negate that JEDEC was defrauded.

16 A number of other relevance chains seem possible. Rambus's discussions with Hans
 17 Wiggers at HP started because Wiggers was suspicious of Rambus's patent position. This series of
 18 conversations demonstrates what Wiggers, a person of ordinary skill, was able to deduce from
 19 Rambus's behavior. This undercuts the Manufacturers' evidence presented by McAlexander.

20 The Manufacturers' FRE 403 arguments are rejected.

21 **8. Motion in Limine No. 8 to exclude *in camera* FTC testimony Rambus has failed
 22 to produce**

23 Resolved by stipulation.

24 **9. Motion in Limine No. 9 to exclude the 1991 company photograph and evidence
 25 or testimony regarding awards received by Rambus or its founders**

26 The motion is denied as to the photograph. It is appropriate background material which will
 27 assist Rambus in introducing itself and showing that it is a real company with real employees and
 28

1 that it is not just a company that licenses patents.

2 The motion with respect to exclusion of awards raises a more difficult issue. The only award
3 discussed in the motion is an IEEE award given to Horowitz. The receipt of the award by Horowitz
4 is relevant to the industry's recognition of his accomplishments and, therefore, has relevance to how
5 his inventions were viewed in the industry. The article about the award, however, contains
6 laudatory hearsay statements about Horowitz. The Manufacturers' concern that these statements, if
7 admitted, would be considered for their truth regardless of any attempt to limit has merit. A limiting
8 instruction would be difficult to frame and probably be overlooked by a jury. Therefore, the court
9 will defer judgment on whether Rambus can satisfactorily redact the article so that it can be admitted
10 for a legitimate non-hearsay purpose.

11 **10. Motion in Limine No.10 to preclude Rambus from making any disparaging
12 statements regarding JEDEC's patent disclosure policies and practices**

13 The motion does not appear to be aimed at any evidence, but rather at Rambus's arguments.
14 The motion appears exceedingly broad and is not clear on exactly what arguments the
15 Manufacturers want to prevent. Rambus hopes to prove at trial that JEDEC's rules were "hopelessly
16 vague and indefinite," that the Manufacturers' characterization of the alleged JEDEC disclosure
17 policy is inconsistent with their own practices, and that Rambus's behavior was not anticompetitive.
18 Rambus should not be precluded from arguing these positions. Motion *in Limine* No.10 is denied.

19 **11. Motion in Limine No.11 to exclude the testimony of Carl Everett**

20 The motion for a blanket exclusion of Everett's testimony is denied without prejudice to the
21 Manufacturers making objection to individual questions asked to Everett on the basis that he lacks
22 personal knowledge, the evidence is cumulative, or that the testimony is not admissible for some
23 other reason.

24 **12. Motion in Limine No.12 to exclude expert testimony regarding alleged
25 infringement**

26 The court believes that the parties do not substantively disagree with respect to this motion.
27 In view of the court's instruction on the assumed infringement and validity of the Rambus patents,
28

1 infringement testimony would seem unnecessary. However, this does not preclude Rambus from
2 offering testimony from Robert Murphy that: (1) the Manufacturers continue to use Rambus's
3 inventions in their newest products developed after Rambus's patent claims were admittedly known;
4 (2) the Manufacturers have added previously unused Rambus features to their products after
5 Rambus's patent claims were widely known; (3) the Manufacturers use Rambus's inventions that
6 they concede are not JEDEC-standard; (4) that the Manufacturers have developed products that do
7 not use certain of Rambus's inventions; and (5) where the Manufacturers continue to use the subject
8 Rambus features, they sometimes change the implementation of those features.

9 **13. Motion in Limine No.13 to exclude evidence that proposed alternative
10 technologies are covered by patents**

11 The motion is denied. The majority of the Manufacturers' motion no. 13 is an untimely
12 *Daubert* motion and was struck at the December hearing as untimely. The remaining portion seeks
13 to exclude Murphy's testimony regarding non-Rambus patents reading on the proposed alternatives
14 because there is no evidence that those patents could or would have been enforced against a JEDEC
15 standard. The Manufacturers claim there is no evidence they could be enforced because four of the
16 five patents on Murphy's list were owned by JEDEC members, but not disclosed to JEDEC and
17 hence not enforceable.

18 There are two flaws with the Manufacturers' argument. First, even if a failure to disclose
19 waived enforcement, only four of the five non-Rambus patents belong to JEDEC members. The
20 fifth belongs to SDRAM, Inc. Second, the scope and implications of duties at JEDEC are being
21 hotly litigated. Whether a failure to disclose works a waiver, license or estoppel is still being
22 litigated. It is therefore not a basis for excluding evidence that various alternatives were covered by
23 patents that could have been enforced against an alternative standard. Obviously, Murphy's opinion
24 is subject to cross-examination and he will not be allowed to explain his infringement analysis
25 beyond what is in his report.

26 **14. Motion in Limine No.14 to exclude testimony of Bronwyn Hall**

27 The motion is denied without prejudice, of course, to objection to individual questions she
28

1 may be asked.

2 A portion of this motion was struck as an untimely *Daubert* motion. The remainder of the
3 motion addresses Rambus's failure to disclose Bronwyn Hall as an expert witness. The dispute
4 centers around the Joint Case Management Order, paragraph 6(c):

5 On or before June 22, 2007, the party or parties with the burden of proof on an issue
6 shall provide expert disclosures with respect to each issue as to which such party or
7 parties bear the burden of proof. On or before July 20, 2007, the party or parties with
8 the burden of proof on an issue shall provide an expert report addressing that issue.
On or before August 17, 2007, the parties shall provide rebuttal expert disclosures
and reports. Depositions of experts identified may commence at a mutually
convenient time immediately after service of all reports.

9 Contrary to the Manufacturers' argument, a witness does not have to "rebut" another side's specific
10 expert witness to be considered a "rebuttal witness." Instead, the Order defined the rounds of expert
11 disclosure based on which side had the burden of proof on an issue. The Manufacturers' argument
12 does not address the "burden of proof" language and cannot be reconciled with the order's text.
13

14 The Manufacturers' argument regarding the scope of "rebuttal" testimony citing FRCP
15 26(a)(2)(C) is inapposite because the rule specifically empowers courts to create their own expert
16 disclosure schedules; Rule 26(a)(2)(C) only governs in the *absence* of a scheduling order. While the
17 definition of "rebuttal" testimony in the court's order differs from that in the rules, the parties chose
the definition.
18

19 The court does agree that much of Hall's testimony seems only marginally relevant.
20 However, the court cannot say that its probative value is substantially outweighed by any FRE 403
concern.
21

22 **15. Motion in Limine No.15 to exclude testimony of Peter Grindley and Richard
23 Holleman regarding rules and guidelines of standards setting bodies other than
24 JEDEC**

25 Ruling on this motion is deferred. Although the court finds persuasive the logic of the
26 Manufacturers' argument that the testimony of the two witnesses regarding the patent policies of
27 other standard setting organizations is irrelevant, the testimony may be relevant to rebut the
28 Manufacturers' evidence about the breadth of the disclosure duty that was allegedly created by the

1 members of JEDEC.

2 **16. Motion in Limine No.16 to exclude testimony of Laurence Pretty regarding**
 3 **theoretical justifications for maintaining the confidentiality of patent**
 4 **applications**

5 Ruling on this motion is deferred. Although the court finds aspects of the Manufacturers'
 6 argument for exclusion persuasive, particularly since Laurence Pretty's testimony is not tailored to
 7 the circumstances of this case. Nevertheless, it may have relevance depending upon the evidence
 8 presented in the Manufacturers' case. For example, some explanation of why the standard practice
 9 of patent practitioners was to keep their pending applications confidential may be relevant to the
 10 disputed issue of what JEDEC members understood to be the scope of their disclosure obligation.

11 **17. Motion in Limine No.17 to exclude testimony from Allen Samuels**

12 Ruling on this motion is deferred. However, it would appear that the Manufacturers are
 13 going to offer evidence of a very broad understanding among JEDEC members as to their obligation
 14 to disclose. If, for example, Rhoden testifies that JEDEC members recognized and practiced a duty
 15 to disclose anything in the patent process that might be relevant to any discussion as to standards,
 16 Samuels' testimony concerning patents that met this "might be relevant" standard and were not
 17 disclosed would be proper rebuttal. The court may need to evaluate FRE 403 concerns because
 18 cross-examining and disproving Samuels' assertions could take significant time and divert the jury's
 19 focus on the relevant issues.

20 **18. Motion in Limine to exclude evidence or reference to changes to JEDEC's patent**
 21 **policies after January 2000 (not numbered)**

22 Prior to the consolidation of these actions for trial, Hynix and Rambus were preparing for
 23 trial on Hynix's antitrust claims. During the pretrial preparations, the court ruled from the bench in
 24 case no. 00-20905 on a motion *in limine* regarding JEDEC's patent policies after January 2000 that:

25 I'm not going to preclude that evidence at this point, but I will require an offer of
 26 proof regarding the specific change or particular change that Rambus wants to talk
 27 about before I'll allow testimony on that issue.

28

1 Tr. 119:2-8 (Aug. 3, 2006).
2

3 The court extends the order to these consolidated proceeding with the modification that any
4 party that seeks to offer evidence of post-January 2000 JEDEC patent policies must make an offer of
5 proof outside the presence of the jury as to the relevance and admissibility of the evidence.
6

7 DATED: 2/3/2008
8



RONALD M. WHYTE
United States District Judge

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